BUDGET RESOLUTION/Medicaid Reforms, Other Welfare Reforms

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1997-2002 . . . S. Con. Res. 57. Domenici motion to table the Harkin amendment No. 4011.

ACTION: MOTION TO TABLE AGREED TO, 60-40

SYNOPSIS: As reported, S. Con. Res. 57, the Concurrent Budget Resolution for fiscal years 1997-2002, will balance the Federal budget in fiscal year (FY) 2002 by slowing the overall rate of growth in spending over the next 6 years to below the rate of growth in revenue collections. The rate of growth in entitlements such as Medicare, Medicaid, the Aid to Families with Dependent Children program, and the Earned Income Credit will be slowed. No changes will be made to the Social Security program, the spending for which will grow from \$348 billion in FY 1996 to \$467 billion in FY 2002. Defense spending will be essentially frozen at its present level.

The Harkin amendment would move Medicaid reform proposals from the first reconciliation bill that this resolution will require to be considered to the second reconciliation bill, which will be considered if the first bill is enacted. (The resolution will provide for up to three reconciliation bills to implement proposed changes in mandatory spending programs. The first bill will contain the Medicaid and welfare reform proposals that have been endorsed by 48 of the Nation's governors, and will be reported by June 14. If the first bill is enacted into law, the second bill will be reported by July 12. That bill will make changes to Medicare that are necessary to prevent its insolvency in 2001 (as projected by the Congressional Budget Office (CBO)), and will make reforms to other entitlement programs as well. If that second reconciliation bill is enacted into law, then a third reconciliation bill will be reported by September 18. That bill will enact the \$500 per child tax credit, which will provide \$122 billion in tax relief for working families over the next 6 years.)

Following debate, Senator Domenici moved to table the Harkin amendment. Generally, those favoring the motion to table opposed the amendment; those opposing the motion to table favored the amendment.

Those favoring the motion to table contended:

(See other side)

	YEAS (60)			NAYS (40)			NOT VOTING (0)	
	Republicans Democrats		Republicans Democ		emocrats	Republicans (0)	Democrats (0)	
	(53 or 100%) (7 or 15%)		(0 or 0%)	(40 or 85%)				
Abraham Ashcroft Bennett Bond Brown Burns Campbell Chafee Coats Cochran Cohen Coverdell Craig D'Amato DeWine Dole Domenici Faircloth Frist Gorton Gramm Grams Grassley Gregg Hatch Hatfield	Helms Hutchison Inhofe Jeffords Kassebaum Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Pressler Roth Santorum Shelby Simpson Smith Snowe Specter Stevens Thomas Thompson Thurmond Warner	Kerrey Lautenberg Leahy Moseley-Braun Moynihan Nunn Simon		Akaka Baucus Biden Bingaman Boxer Bradley Breaux Bryan Bumpers Byrd Conrad Daschle Dodd Dorgan Exon Feingold Feinstein Ford Glenn Graham	Harkin Heflin Hollings Inouye Johnston Kennedy Kerry Kohl Levin Lieberman Mikulski Murray Pell Pryor Reid Robb Rockefeller Sarbanes Wellstone Wyden	EXPLANAT 1—Official I 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired	nced Yea nced Nay Yea	

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Medicaid is not a contributory system. It provides means-tested medical care for people who do not have medical coverage or who have exhausted their coverage and do not have the means to pay their medical bills. A large percentage of Medicaid recipients are poor, nonworking Americans; another large percentage are elderly Americans who have exhausted their Medicare coverage. Because many Medicaid recipients are senior citizens who have exhausted their Medicare coverage, some Senators believe that Medicaid reform should be considered along with Medicare reform. We do not. Part A of Medicare, which is the larger part, is paid for primarily through payroll taxes, and thus is a contributory rather than a means-tested program. In our opinion, it would be more appropriate to consider Medicaid along with other means-tested programs. We therefore urge our colleagues to table the Harkin amendment

Those opposing the motion to table contended:

Congress came very close to passing an acceptable welfare reform bill last year. Unfortunately, the acceptable Senate passed-bill had several objectionable features added in conference, and the President rightly vetoed it. On welfare, there are now so many areas of agreement that we think it will be possible to enact a comprehensive reform bill this year if the Republican majority in Congress can just resist the impulse to attach controversial items which it knows that the President will not accept. Medicaid reform, to say the least, is controversial. Little consensus has been developed on how to proceed. Including Medicaid with welfare reform in the first reconciliation bill, therefore, will almost certainly bring a presidential veto. If, on the other hand, Medicaid reform is not considered until the second reconciliation bill, it is very possible that the welfare reconciliation bill will be enacted. If our colleagues really want to see a welfare reform bill passed this Congress, they will join us in opposing the motion to table the Harkin amendment.